

DEPARTMENT OF INDUSTRIAL RELATIONS  
DIVISION OF WORKERS' COMPENSATION

MAILING ADDRESS:

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February 9, 2004

Carlo Michelotti, CEO  
California Pharmacists Association  
1112 "I" Street, Suite 300  
Sacramento, CA 95814

Dear Mr. Michelotti:

It has come to our attention that some companies may be planning to directly charge workers' compensation patients for filling pharmacy prescriptions. Pharmacies that accept direct payment from injured workers for prescriptions are at risk of being found in violation of the Labor Code.

Labor Code Section 3751 subdivision (b) states:

**If an employee has filed a claim form pursuant to Section 5401, a provider of medical services *shall not*, with actual knowledge that a claim is pending, *collect money directly from the employee* for services to cure or relieve the effects of the injury for which the claim form was filed, unless the medical provider has received written notice that liability for the injury has been rejected by the employer and the medical provider has provided a copy of this notice to the employee. Any medical provider who violates this subdivision shall be liable for three times the amount unlawfully collected, plus reasonable attorney's fees and costs.**

Please note that this Labor Code provision provides monetary penalties for violation of the section. Any pharmacy providing services under the workers' compensation system must conform their business practices to the current requirements of the Labor Code to avoid potential monetary sanctions.

Thank you for your continued service to the injured workers of California.

Sincerely,

Richard P. Gannon  
Administrative Director